

## REMARKS

This application has been reviewed in light of the Office Action dated August 23, 2007. Claims 1, 4-59, 61-82, 93, 94 and 98-101 are presented for examination, of which Claims 1, 55 and 65 are in independent form. Claims 1, 55 and 65 have been amended to define more clearly what Applicant regards as his invention. Favorable reconsideration is requested.

In the outstanding Office Action, Claims 1, 7-11, 16-20, 59, 61, 62, 66, 70-73, 76-80, 87, 89 and 90 were rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent 6,694,355 (*Bahar*) in view of the article "Defense Taps 2 Finalists for Jet Contract; Military: Boeing and Lockheed Martin will build prototype of fighter", Robert A Rosenblatt, et al. Los Angeles Times, Nov. 17, 1996 (*Rosenblatt*). Claims 5, 12, 57, 68, and 93, 94, and 98-101 were rejected under 35 U.S.C. § 103(a) as being unpatentable over *Bahar* and *Rosenblatt* in view of U.S. Patent 5,862,223 (*Walker*), and Claims 13 and 74, as being unpatentable over *Bahar* and *Rosenblatt* in view of Official Notice.<sup>1</sup> Applicant submits that independent Claims 1, 55 and 65, together with the claims dependent therefrom, are patentably distinct from the cited prior art for at least the following reasons.

The aspect of the present invention set forth in Claim 1 is directed to a server on a network, the server operable to receive from a first participant via the network a formulation of a problem to be solved. The server is also operable to receive from a plurality of other participants via the network at least non-final suggested solutions to the problem; and distribute portions of an award to those participants who contribute the at least non-final suggested solutions to the problem. The server is configured to distribute a portion of the award, before it

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<sup>1</sup> While the Office Action does not mention *Rosenblatt* as forming part of the basis for these latter two rejections, Applicant nonetheless understands that these rejections are in fact based in part on that document, since the listed claims are dependent from Claim 1.

has been determined that the problem has been solved, to at least one participant who contributed the at least non-final suggested solution to the problem. Also, the server provides control tools for use by the first participant for controlling the distribution of the portion of the award to the other participants. Moreover, the distributions of the portions of the award are varied over the course of a development of the suggested solutions for the purpose of guiding the development of a final solution to the problem.

Among other important features of the server of Claim 1 is that the server is operable to (1) to receive from a plurality of other participants via the network at least non-final suggested solutions to the problem and (2) distribute a portion of the award, before it has been determined that the problem has been solved, to at least one participant who contributed the at least non-final suggested solution to the problem. By virtue of these features, the server can receive non-final solutions from a plurality of participants other than the first participant. This permits the first participant to view one or more non-final solutions to the formulated problem, and not just a plurality of final solutions. More importantly, the system does not wait to award a participant until a final solution is determined, but instead can distribute a portion of the award to a participant who contributes even if their contribution is not the final solution. Thus, individual contributors collaborating on a final solution to the problem are given an incentive to collaborate by being awarded a portion of an award for their contribution to the overall solution.

*Bahar*, as understood by Applicant, relates to a method and system for generating user-created finalized designs of products via communication network. The Office Action points to column 6, lines 1-41, as allegedly disclosing the above mentioned features of Claim1. Applicant respectfully disagrees.

As Applicant understands this cited portion of *Bahar*, the design system only distributes awards after a determination has been made that the problem has been solved by the received final solution. This is because the system of *Bahar* can only receive final designs (column 6, lines 30-31) and, only after receiving a sufficient plurality of such final designs, selects at least one winner to receive a corresponding award incentive. Thus, awards are only given for solutions deemed to have solved the problem.

Nothing has been found in *Bahar* that is believed to teach or suggest a server operable (1) to receive from a plurality of other participants via the network at least non-final suggested solutions to the problem and (2) to distribute a portion of the award, before it has been determined that the problem has been solved, to at least one participant who contributed the at least non-final suggested solution to the problem.

Moreover, *Rosenblatt* was cited as allegedly teaching that distributions of portions of an award are varied over the course of a development of the suggested solutions for the purpose of guiding the development of a final solution to the problem. Applicant respectfully disagrees. Paragraph 1 of *Rosenblatt* states:

“The Defense Department on Saturday picked Lockheed Martin Corp. and Boeing Co. as the finalists in a competition to build a new generation of jet fighters, an 11-year project that could bring the eventual winner more than \$200 billion to produce 3,000 aircraft. [Emphasis added]”

As Applicant understands the circumstances described in *Rosenblatt*, two companies were each awarded a government contract based upon their proposed designs, which presumably met the design requirements. In *Rosenblatt*, after the two competitors were declared finalists, indicating that competition was over, the awards were made. Thus, any awards distributed were given only after it was determined that the problem posed by the government requirements could be solved

by the two competing final designs. Therefore, Applicant submits that *Rosenblatt* adds nothing to *Bahar*, and in particular fails to remedy the deficiencies of *Bahar* with respect to teaching the features of Claim 1.

Nothing has been found in *Rosenblatt* that is believed to teach or suggest a server operable (1) to receive from a plurality of other participants via the network at least non-final suggested solutions to the problem and (2) to distribute a portion of the award, before it has been determined that the problem has been solved, to at least one participant who contributed the at least non-final suggested solution to the problem.

Claim 1 is therefore believed to be allowable over *Bahar* and *Rosenblatt*, taken separately or together (assuming for argument's sake that a combination would be proper).

Independent Claims 55 and 65 are apparatus and method claims respectively corresponding to Claim 1, and are believed to be patentable for at least the same reasons as discussed above in connection with Claim 1.

A review of the other art of record has failed to reveal anything which, in Applicant's opinion, would remedy the deficiencies of the art discussed above, as references against the independent claims herein. Any combination of *Bahar* and/or *Rosenblatt* and the other cited art, assuming such combination(s) would even be permissible, would fail to teach or suggest the features of the independent claims. The independent claims are therefore believed patentable over the art of record.

The other claims in this application are each dependent from one or another of the independent claims discussed above and are therefore believed patentable for the same reasons. Since each dependent claim is also deemed to define an additional aspect of the

invention, however, the individual reconsideration of the patentability of each on its own merits is respectfully requested.

Moreover, with regard to certain of the dependent claims, Applicant submits the following observations. Regarding Claims 11 and 73, the Examiner has officially noticed that it is old and well known in the art of chat or whiteboard at the time of the invention for the presenter to be selected by any of the participants. Applicant disagrees that the features of Claims 11 and 73 mentioned at pages 3 and 4 of the Office Action are ones which are well-known or of common knowledge in the art that are capable of instant and unquestionable demonstration as being well-known.

The MPEP<sup>2</sup> in Section 2144.03 states that:

“It would not be appropriate for the examiner to take official notice of facts without citing a prior art reference where the facts asserted to be well known are not capable of instant and unquestionable demonstration as being well-known. For example, assertions of technical facts in the areas of esoteric technology or specific knowledge of the prior art must always be supported by citation to some reference work recognized as standard in the pertinent art. *In re Ahlert*, 424 F.2d at 1091, 165 USPQ at 420-21. See also *In re Grose*, 592 F.2d 1161, 1167-68, 201 USPQ 57, 63 (CCPA 1979) ([W]hen the PTO seeks to rely upon a chemical theory, in establishing a prima facie case of obviousness, it must provide evidentiary support for the existence and meaning of that theory.); *In re Eynde*, 480 F.2d 1364, 1370, 178 USPQ 470, 474 (CCPA 1973) ([W]e reject the notion that judicial or administrative notice may be taken of the state of the art. The facts constituting the state of the art are normally subject to the possibility of rational disagreement among reasonable men and are not amenable to the taking of such notice.). [Emphasis original]”

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<sup>2</sup> Citations are to the Manual of Patent Examining Procedure (MPEP), Eight Edition, August 2001, Latest Revision August 2006.

It is respectfully submitted that the technology to which the present invention belongs should be viewed as being “esoteric”, and, as such, it is believed to be improper for the Examiner to rely on an assertion of knowledge common in the art in making out a rejection.

Moreover, in Section 2144.03 the MPEP also states that:

“It is never appropriate to rely solely on ‘common knowledge’ in the art without evidentiary support in the record, as the principal evidence upon which a rejection was based. *Zurko*, 258 F.3d at 1385, 59 USPQ2d at 1697 ([T]he Board cannot simply reach conclusions based on its own understanding or experience-or on its assessment of what would be basic knowledge or common sense. Rather, the Board must point to some concrete evidence in the record in support of these findings.’). While the court explained that, ‘as an administrative tribunal the Board clearly has expertise in the subject matter over which it exercises jurisdiction,’ it made clear that such ‘expertise may provide sufficient support for conclusions [only] as to peripheral issues.’ *Id.* at 1385-86, 59 USPQ2d at 1697. As the court held in *Zurko*, an assessment of basic knowledge and common sense that is not based on any evidence in the record lacks substantial evidence support. *Id.* at 1385, 59 USPQ2d at 1697. See also *In re Lee*, 277 F.3d 1338, 1344-45, 61 USPQ2d 1430, 1434-35 (Fed. Cir. 2002) (In reversing the Board’s decision, the court stated ”common knowledge and common sense” on which the Board relied in rejecting Lee’s application are not the specialized knowledge and expertise contemplated by the Administrative Procedure Act. Conclusory statements such as those here provided do not fulfill the agency’s obligation.... The board cannot rely on conclusory statements when dealing with particular combinations of prior art and specific claims, but must set forth the rationale on which it relies.’).

“See also *Zurko*, 258 F.3d at 1386, 59 USPQ2d at 1697 ([T]he Board [or examiner] must point to some concrete evidence in the record in support of these findings’ to satisfy the substantial evidence test). If the examiner is relying on personal knowledge to support the finding of what is known in the art, the examiner must provide an affidavit or declaration setting forth specific factual statements and explanation to support the finding. See 37 CFR 1.104(d)(2). [Emphasis added]”

Applicant recognizes that the Examiner did not make the alleged knowledge common in the art his primary reference, but it nonetheless appears that he is in fact relying on that alleged knowledge at a key point, and in a way such as to make it his “principal evidence” upon which the rejection is based, contrary to MPEP § 2144.03, cited above. In any event, while Applicant appreciates the Examiner’s careful exposition in the Office Action of what is deemed to be common knowledge in the art, Applicant respectfully requests again that the Examiner either cite proper documentary prior art showing the features missing from *Bahar* and *Rosenblatt* or provide an affidavit or declaration setting forth specific factual statements and explanation to support his view that such were present in the art and such that one of merely ordinary skill would have found it obvious to modify the *Bahar* system to incorporate those features.

Absent such showing, Claims 11 and 73 are believed to be in condition for allowance, entirely apart from their base claims.

This Amendment After Final Action is believed clearly to place this application in condition for allowance and its entry is therefore believed proper under 37 C.F.R. § 1.116. In any event, however, entry of this Amendment After Final Action, as an earnest effort to advance prosecution and reduce the number of issues, is respectfully requested. Should the Examiner believe that issues remain outstanding, he is respectfully requested to contact Applicant’s undersigned attorney in an effort to resolve such issues and advance the case to issue.

In view of the foregoing amendments and remarks, Applicant respectfully requests favorable reconsideration and early passage to issue of the present application.

Applicant's undersigned attorney may be reached in our New York office by telephone at (212) 218-2100 or by facsimile at (212) 218-2200. All correspondence should continue to be directed to our address given below.

Respectfully submitted,

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